



**beaufortpower.com**

60 Rowes Wharf  
Ferry Terminal  
Boston, MA 02110  
617.352.0000

VIA E-MAIL

Howard B. Bernstein  
RPS Program Manager  
Massachusetts Division of Energy Resources  
100 Cambridge Street, Suite 1020  
Boston, Massachusetts 02114

RE: Notice of Inquiry Regarding Some Proposed Revisions of the Regulations  
Pertaining to the Definition of "Low-Emission, Advanced Biomass Power  
Conversion Technologies" ("NOI").

Dear Mr. Bernstein:

Beaufort Power LLC offers the attached comments to the above referenced NOI,  
and wishes to thank you for your time and support these past weeks to help us  
participate in our first rulemaking process.

Sincerely,

/S/

Glen A. Berkowitz, Esq.  
President  
Beaufort Power LLC

Commonwealth of Massachusetts  
Office of Consumer Affairs & Business Regulation  
Division of Energy Resources

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 Notice of Inquiry Regarding Some Proposed )  
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 Definition of “Low-Emission, Advanced )  
 Biomass Power Conversion Technologies” )  
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Comments of  
Beaufort Power LLC

## I. INTRODUCTION

Beaufort Power LLC (“Beaufort Power”), 60 Rowes Wharf, Ferry Terminal, Boston, MA 02110 is pleased to submit the following comments to the Division of Energy Resources (“DOER”) in response to the DOER’s above-captioned Notice of Inquiry (“NOI”) dated July 1, 2005.

Beaufort Power is a Massachusetts based new entrant into the renewable energy development business. Our team-based approach consists of professionals experienced in complex project management, planning, engineering, construction, finance, law, and community relations. Our focus for the past 6 months has been to explore the feasibility of wind power projects in a variety of contexts throughout New England, with a primary eye towards helping to build wind turbines within the Commonwealth of Massachusetts.

The following limited comments are directed to the Proposed Revisions to the RPS Regulations and to the questions posed by DOER.

## II. COMMENTS

A. The Proposed Guidelines may violate the letter and/or intent of Chapter 164 of the Acts of 1997.

Beaufort Power respectfully endorses Comment #1 contained in Cape Wind Associates, LLC (“Cape Wind”) comment letter dated July 25, 2005. We agree with Cape Wind’s interpretation that the Massachusetts Electric Restructuring Act (“Restructuring Act”) specifically directed financial and other incen-

tives go primarily towards the development of new renewable energy generating sources such as solar and wind.

B. The Proposed Guidelines are not needed as DOER's Existing RPS Regulations currently and adequately address Biomass eligibility.

Beaufort Power agrees with the Division that the Restructuring Act explicitly includes new "advanced" biomass gasification technologies as RPS eligible. And we agree that older biomass burning technologies such as pile burn or stoker combustion are neither advanced nor low emission and are thus categorically excluded.

Biomass generation units that deploy technologies that are neither explicitly included or excluded have been addressed on a case-by-case review by the Division, with opportunity for public comment. The Division's subject NOI suggests that only fifteen (15) such Advisory Rulings have been sought over a three year period. And evidence suggests that the pace of such requests is slowing. The Divisions list of "Advisory Rulings on the Likely RPS-Eligibility of Generation Units" shows that whereas 7 such requests were made in the first 7 months of calendar year 2004, only 2 such requests have been submitted during the comparable period of this current calendar year.

That the type of new "advanced" Biomass gasification technology contemplated in the Restructuring Act has not proven practicable (see NOI page 4 dated July 1, 2005) should not mean that existing RPS regulations need to be completely rewritten. The listing of advantages and disadvantages of these existing RPS regulations to Biomass contained on pages 2 thru 5 of the NOI (see "Background") suggest that Biomass proponents face some uncertainties and difficulties. However, with one possible exception discussed below, the NOI as currently written lacks concrete factual evidence as to how these existing RPS regulations fail proponents of "new, advanced" Biomass generation units.

The one possible exception relates not to "new, advanced" Biomass facilities but rather to the retrofit of "existing" Biomass stations that deploy "old" technology.

However, as discussed in Comment #A above, the Restructuring Act's focus was to help fledgling "new" renewable energy technologies, and rewriting the rules to make such "old" plants RPS eligible would be an incorrect application of benefits that the Massachusetts Legislature did not intend to confer.

C. The Proposed Guidelines could eliminate the RPS “safety net” important to developers of new Solar and Wind and other renewable projects.

Designing, permitting, financing, and constructing “new” renewable energy projects within the Commonwealth remains a very difficult endeavor for all involved. That important engineering projects are “difficult” to make happen is not entirely new. From the Quabbin Reservoir to the Big Dig, the history of our Commonwealth is replete with humankind’s ability to transcend such technical, social, or political obstacles. Many of the individuals and companies associated with Beaufort Power are graduates of difficult but successful engineering projects, and we expect the same will soon be true with respect to the development of new renewable energy facilities within our state.

The Division’s existing RPS regulations provide a very important “safety net” to developers of new renewable energy projects. Developers who, despite record prices for crude oil and continuing evidence of dangerous global warming, continue face enormous political and social obstacles. Obstacles that are not borne equally between, say, a wind developer compared to a Biomass facility. For example, when was the last time a Biomass developer or converter was confronted with obstacles relative to avian concerns that are too commonly placed at the door of proponents of new wind generating units. Both wind and Biomass facilities raise important issues in the avian context. But it appears that only wind is currently forced to deal with them.

Hopefully, and with increasing frequency, developers of wind and other new renewable energy facilities will successfully reach the permitting end-zone. And when these developers cross that goal-line, the Division’s existing RPS regulations stand tall to provide the economic incentives necessary to translate such permitted facilities into constructed realities. This kind of success was not achieved in 2004 and (likely) 2005. But with the continuing hard work of dozens—if not hundreds of talented and dedicated individuals, companies, and volunteers—2006 and 2007 may turn out to be the start of what will hopefully become a very successful and flourishing industry within the Commonwealth. For solar, wind, hydro, and other clearly “new” renewable technologies, none of this success will come easy. And it won’t come on the cheap. The Division’s existing RPS regulations serve as an important safety net, there to protect investors and others who currently choose to attempt to nudge this important sector forward. It would be a shame for the Division to suddenly remove this important and forward-looking safety net.

Helping existing Biomass facilities reduce current emissions is a laudable goal. But such Biomass facilities, even if improved, will still and forever contribute to global warming. Solar and wind and hydro will not, neither today nor tomorrow.

If the Division is concerned about large Alternative Compliance Payments ("ACP") payments for 2004 and 2005, several alternatives should be explored before reaching the conclusion that the system is "broke" and must "be fixed". The threat posed to the RPS by chronic under-compliance should undergo evaluation not in 2005 but more like in 2009.

In the meantime, developers and proponents of unquestionably "clean" and "new" renewable energy facilities such as solar and wind and hydro need all the help they can get. Not less.

### **III. CONCLUSION**

Beaufort Power respectfully requests that DOER modify the proposed revisions in accordance with the foregoing recommendations.

Respectfully submitted,

BEAUFORT POWER LLC.

By

/s/\_\_\_\_\_

Glen A. Berkowitz, Esq.

President

Beaufort Power LLC.

60 Rowes Wharf

Ferry Terminal

Boston, MA 02110

617.352.0000

Dated: July 25, 2005